

Trade 9. B. v. 12.

CONSIDERATIONS

CONCERNING

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Taking off the Bounty

ON

CORN EXPORTED.

In some LETTERS to a FRIEND.

To which is added,

A POSTSCRIPT

SHewing

That the Price of Corn is no Rule to judge of the Value of Land; which will be encreased in Proportion to the Cheapness of its several Products.



LONDON,

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PORT

IN A LETTER TO A FRIEND

By J. G. ...

AND

BY

... to judge of the Value of Land; which ... to the Quantity of the several Products

LONDON

Printed by ...

...

CONSIDERATIONS

Concerning the taking off

The Bounty on Corn exported.

LETTER I.

DURING the last Session of Parliament several Petitions were presented to the House of Commons, complaining, that the Bounty, allowed by Parliament on Corn exported from this Kingdom, had not been regularly paid. These Petitions were ordered to lie upon the Table; but as the Subject of them has afforded much Discourse, give me Leave to offer some Thoughts, relating to it, to the Consideration of the Public.

Whether the Petitioners have a legal Claim to the Bounty on all the Corn they have exported, is a Point with which I have no Concern; but thus much I may presume to say, that if the Bounty was originally granted without any Restrictions and Limitations, and it be equitable and just to give them Relief, they may rest satisfied, that the Honour of Parliament will give it them, though the Funds, from whence this Bounty has been paid, may have failed. But my Design is only to consider the Influence of this Bounty on our National Wealth and Trade: That it is greatly prejudicial to them, may, I think, be thus demonstrated.

Should the Public employ one Man a whole Year in a Piece of Work, to be sent abroad and given away; this would plainly be to lose the Value of one Man's Labour: But the Loss would be exactly the same, if twelve Men should be so employ'd for a Month; or if one twelfth Part of the whole Year's Work should be given away. Supposing then, that the Bounty makes the Price of our Corn abroad less by one twelfth Part than it would otherwise be; it is evident, that the Nation gives away one twelfth Part of all the Labour employed in growing this Corn, and exporting it, and of the Rents of the Land on which it grows. To give a Bounty on Corn exported, is, therefore, nothing less, than to hire our People to work for Foreigners; not for the beneficial Purposes of selling to them Goods of all Kinds perfectly manufactured, and at their Market-Price, but to make a Necessary of Life the cheaper to their Manufacturers, Seamen, and Labourers of every Kind.

There are two Reasons for the Continuance of the Bounty, which seem to be most specious: One is urged by the Farmer and Land-Owner, and one by the Trader: Each of them neglects the Interest of the other, and mistakes his own. The Farmer says, that, without a Bounty, no Corn will be exported; and that, without an Exportation, he could not pay his Rent. But he here neglects the Interest of Trade, which requires, that Corn and all other Provisions should be as cheap as possible; for whatever makes them dear, must make Labour dear also, and must lessen the Sale of our Manufactures in foreign Markets. And if the Farmer thinks that this is of no Importance to him, he mistakes his own Interest: His particular Trade, as well as others, requires, that Labour should be cheap, and the general Trade of the Nation cannot be hurt, but he must also suffer with it. For if our Trade decreases, the Number of our People must decrease also; and nothing can support the Farmer's Business in any Country but a great Number of Inhabitants: This enables him to join together the Trades of Farming and Grazing: His Cattle improve his Ground, and make it produce more Corn, and at less Expence than any other Method of Husbandry. But he will never feed Cattle where he cannot sell them; and he cannot sell them where there are not People to eat them. This will explain the Improvements which have been made in our Lands since the Revolution. As our Trade, and the Number of our People have increased, the Farmer has found a greater Demand for Beef, Mutton, Butter, &c. and the Stock which he keeps to answer this greater Demand, manures his Land without Expence; and, by enabling him to grow on all his Lands Grass and Corn alternately, makes the Crops of both more plentiful. Hence it is, that common Fields have been inclosed, barren Heaths converted to Tillage, old Pastures broken up, and the Farmers in general enabled to pay their advanced Rents. Thus all the Improvements in Farming, and the Value of our Lands, depend on the Increase of Trade; and the Bounty of Corn can never be of Service to the Farmer or Land-Owner, if it is prejudicial to the Trader.

Let us see, therefore, what the Trader says to it.—He objects, that by taking away the Bounty, and consequently making Corn cheap, the Industry of the common People will be lessened. To give this Objection the more Force, it is said, that the Traders in our Manufacture Towns find the greatest Difficulty in carrying on their Business upon every extraordinary Call from abroad for our Manufactures: That the Workmen proportion the Value of their Labour to the Demands for the Manufactures; and, when the Price of three Days Labour will maintain their Families a Week, will not work six; and, if the Necessaries of Life were to be had at a cheaper Rate, the Case would be still worse. It must be allowed that this is true with regard to all Labour in *England*, where a Monopoly is given to almost every Kind of Manufacture, and the Traders are not allowed to employ such Hands as they think are fit and able to work for them, but are confined to such only as the Law has qualified: But it is nevertheless very manifest, that in all Countries, where Industry is not restrained, the Price of Provisions must affect the Price of Labour. This will always be diminished when the Necessaries of Life grow cheaper: And the objection shews not that the Increase of the Price of Corn, by a Bounty on its Exportation, is beneficial to Trade; but that there is another Evil in our Law, which we should endeavour to remove. This Evil consists in the various Difficulties and Discouragements which are

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put upon Industry. Many Trades a Man may not lawfully exercise who has not served an Apprenticeship: Others he may not join together: At others he may not work within the Limits of a Corporation. It would be endless to enumerate all the Laws of this Kind: We need only observe of them, that every Effect they can possibly have must be detrimental to Trade: For every Man, if not restrained by Law, would pass from one Employment to another, as the various Turns in Trade should require; and would always be employed in that Business for which he was best fitted, or in which he was most wanted. In this Case, either all Trades would have a sufficient Number of Workmen, or would equally want them: And the Consequence of such a general Want would be nothing else but drawing hither a great Number of Foreigners; whereas our present Restraints often put it in the Power of Workmen to demand higher Wages than their Work deserves, and thus prevent the Sale of our Manufactures abroad.

There is no Complaint more common amongst our Merchants, than, that Foreigners underwork us in almost every Kind of Manufacture: And can we be surprised at it, when the general Tendency of our Laws is, to make Labour dear at home and cheap abroad: When we either forbid our People to work, or oblige them to work in some disadvantageous Manner: When we lay all our Taxes on Trade, or, which is still worse for Trade, on the Necessaries of Life: And when we contrive to feed the Labourers, Manufacturers, and Seamen of foreign Countries, with our Corn at a cheaper Rate than our own People can have it? To raise the Price of Corn at home, in whatever Manner it is done, is the same Thing as to lay a Tax on the Consumption of it: And to do this in such a Manner as lessens the Price of it abroad, is to apply this Tax for the Benefit of Foreigners. If then we consider the Mischiefs that the Bounty on Corn does to Trade and Farming; in their true Light, we may venture to pronounce, that a general Excise on all the Bread we eat could not be attended with more pernicious Consequences.

I am, Sir, Yours, &c.

LETTER II.

Against taking off the BOUNTY, &c.

S I R,

I HAVE observed in the *General Evening Post* of the 23d of July, and reprinted the 18th of the following Month, a Letter on the Subject of the Bounty on Corn exported, which the Author endeavours to treat as prejudicial to the Interest of the Kingdom: But it appears to me that the Gentleman is not well acquainted with the Nature of the Subject; and, lest Misrepresentations should taint the Minds of others, and what is of real and important Service to the Nation be set in a contrary Light, give me Leave by your Paper to offer also to the Public my Sentiments thereupon. But first I would observe that the Author of the aforementioned Letter, speaking of several Petitions presented to the Parliament during the last Sessions (which complained of the Delay of the Payment of Corn Debentures) seems to make the Petitioners legal Claim to the Bounty on the Corn they have exported, a Matter of some Doubt: Whereas he might with more Propriety have questioned the manner of the Deficiency of the Funds applied to the Payment of the said Bounty, which there may be good Grounds to doubt of; being a Matter that has never been cleared up to the Petitioners, who are the Sufferers. This Gentleman ought to have satisfied himself by the Acts of Parliament in force, that the Petitioners have undoubted good Right to the Payments of the Monies petitioned for, and he would at the same Time have seen that the Bounty on Corn is not allowed when the Price exceeds a certain Rate, and therefore his Insinuation of its being granted without any Restrictions or Limitations is an unjust Reflection on the Wisdom of Parliament.

The Demonstration, which this Gentleman would give of the Prejudice of this Bounty to the national Wealth, is not convincing by the Comparison he draws of giving away the Labour of a Man, nor is it a just Simile: He mistakes the Matter; for it is not true that the Bounty is given away to Foreigners; it is our Land-Owners and own People at home, who receive all the Benefits of it. 'Tis by the Bounty alone that we are enabled to supply foreign Markets as cheap as other Corn Countries do; without it we should not have sold near so much to the *French* even this Year, for I very well know they have purchased very large Quantities elsewhere, and at cheaper Rates notwithstanding. And when the Merchant here makes an Estimate of the Advantage of exporting Corn from the State of Markets abroad, he would very rarely find Encouragement for the Undertaking without the Bounty, by which he esteems the Cost so much lessened; for there are divers Charges of collecting and shipping Grain, of Freight and Sale, &c. that greatly enhance the Price and ordinarily make it come dear to the Consumer. 'Tis by the Bounty alone that our Lands are improved, common Fields inclosed, barren Heaths converted to Tillage, and old Pastures broken up; and it is the Bounty alone that enables the Farmer to pay his advanced Rent, though the Author of the aforementioned Letter would endeavour to ascribe all these Benefits to quite a different and altogether to an insufficient Cause. 'Tis evident that it is the Bounty alone, which has so much encouraged the Plantations of Corn, and so much increased that valuable Trade to the Kingdom, by which we are become, as it were, the chief Granary of *Europe*, and by which so many Millions of Money have been brought into the Nation. And as the Author well observes the Riches of a Nation to depend upon the Multitude of Inhabitants, so without these Improvements of the Land there must have been less Work, and would consequently have been less People in the Kingdom. As it is then the Bounty which has so much increased the Value of our Lands, and of course, in a great Measure, the Riches of the Nation; the withdrawing it must have a contrary Effect; for then the Farmers must all at once be ruined,

ruined, and the Corn Trade be lost to the Kingdom, or there must of Necessity be a Reduction of Rents of more than 30 per Cent. which will scarce be relished by the Land-Owners, even if totally exempted from the Land-Tax; nor would such a Declension of the Value of Lands fail to make strange Havock in the Kingdom; for though the Bounty has greatly increased the Value of Lands, yet every Purchaser of Land buys that Advantage: And as the Bounty is of more Importance to the Land than would be even a total Exemption from Land-Tax, though the Balance in the present Situation is vastly in favour of the Revenue, it seems therefore for the general Interest of the Nation that the old Laws be continued; and as they have so much increased the Trade and Riches of the Nation, 'tis Wisdom to know when it is well, and not attempt an Alteration, lest the Point be mistaken, and others get the Trade from us.—For we should, without the Bounty, have a small Share of it, unless in Times of very extraordinary Plenty at home, and of extream Want abroad, which may but seldom happen together.

We find already that many neighbouring Nations, and some of our more distant Provinces, are vying with us in this Branch of Trade. *Denmark, Hamburgh, Dantzick, and the Baltick*, have for some Years past furnished very large Quantities of Corn to the Places where it has been wanted, and at much cheaper Rates than could be had from us, notwithstanding the Bounty; and our own Plantations in *America* not only supply much to *Spain and Portugal*, but even come so near to us as *Ireland* and the Bay of *Biscay*, and undersell us at these Places; not to mention what a very flourishing Trade this is in *Sicily, Naples, the Levant, Marea, &c.*—So that all those Countries, if we resign to them the Trade, will grow more potent by Sea and Land; and *America*, perhaps, as a natural Consequence, may not long endure Subjection to us.—I say, that, in proportion to any Reduction of the Bounty, the Corn Trade must decline in *England*, and a gradual Neglect of Tillage at home will encourage it more abroad, and may in time subject us to the Misery of seeking foreign Supplies for our own Use, which was a Case that should not be forgotten, when a few Years since our Crop failed, and we imported large Quantities from abroad. It is therefore absolutely necessary to strive by all possible means for the Security of the Corn Trade to this Kingdom, and any Neglect thereof will open a wide Door to Poverty and Distress.

It is, undoubtedly, an universal Maxim and an experienced Truth in all Branches of Trade, that those who can furnish cheapest a Commodity, of equal Goodness, will have the Trade; but then the Author of the aforementioned Letter esteems the Corn Trade only as subservient to all others, and scarce counts it to bear any Proportion to the Manufacturies, and even calls those only the Trades and trading Part of the Kingdom; though perhaps the Corn Trade is a more considerable Branch than most of them, and, if not the first, may, I apprehend, be the second most valuable Trade of the Kingdom. If we reflect a little upon the Extent of it, perhaps we shall find the Tract of Land dependent thereon is the most considerable Part of the Nation, and the same also of the Inhabitants and People therein employed. And I believe there is not any one Branch of foreign Trade which is so beneficial to the Navigation Interest, for the Bounty is well and wisely confined to the Employment of our own Shipping; 'tis a bulky Commodity, and therefore employs the more Vessels. Was one to take a Survey of all the little Ports upon the Coasts of this Kingdom, one would be surprized to see how the Number of Ships and Vessels are increased, which have no other Dependence than the Corn Trade; and if there is an Increase of Shipping, there must also be an Increase of Mariners, which all agree to be the best Security of the Kingdom. The Employment of these Ships and Mariners necessarily occasions Business among various Sorts of Mechanics ashore: In short, a Multitude of Families have their sole Dependence on the Employment of Shipping in the Corn Trade, and when any Stagnation happens, the Consequences are soon evidently experienced.

Was the Bounty on Corn withdrawn, it might then be loaded on foreign Ships as well as our own, and a Preference would be given to them, because they will generally carry it much cheaper than ours; and this would be a fatal Stroke to our Navigation.

It is therefore as material that we should study to preserve the Corn Business as any other to the Nation, and not let other Countries undersell us, which, without the Bounty, at the present Rate of our Lands, they would be able to do; and if it be productive of an Increase of our Trade to supply foreign Markets with a Commodity cheaper than others, then to secure those Branches of Trade is the wisest Scheme; for while we give them a Necessary of Life, we draw their Money away, and the Balance of Trade against a Nation always tends to impoverish it.

Besides, I do not conceive that the Exportation of Corn has any material Influence upon the Manufacturies, the chief of which are situated generally in the interior Parts of the Kingdom, where the Exportation can have very little Effect upon the Price. These are not Countries that generally grow an Abundance of Corn, and therefore the People more easily conceive odd and erroneous Notions about sending it out of the Kingdom:—And though these Manufacturies deserve to be encouraged, are they only to be considered? Is all the Sea-Coast, whose main Dependence is upon the Exportation of Corn, to be altogether neglected and totally ruined for want of other Employment?

The Author supposes an Objection from the Trader (and by whom I apprehend he means the Manufacturer) against taking off the Bounty; that Cheapness and Plenty do not encourage Industry in the Poor; and it is an unhappy Truth! But he adds, that any permanent Change in the Price of Provisions must affect the Price of Labour: Yet this which he calls permanent is still but an accidental Change, and such there must of Necessity always be in the Price of Provisions, if from no other Cause than the Difference of our Crops at home; for large Demands of Corn abroad are not permanent, and therefore 'tis that the Exportation (though a seeming Paradox) makes it cheap at home; for our Lands being improved, People plant all they can upon the Presumption of an Exportation, which else there would not be Encouragement to do; and as the foreign Demand is precarious, so it often happens that we have large Stocks in the Kingdom, and little or no Vent for them. The Price of Corn may indeed for a Season advance, through the Heat of Speculation for foreign Markets; as is the Case,

more

more or less, in most other Merchandizes; but Experience proves that Corn is only dear for a Continuance when the Crop has proved light at home: A Deficiency this way will soon overbalance the largest Exportation ever known, and the Farmer must then sell his Corn at a dearer Rate, or can't pay his Rent, as Estates are now in general let. When we have a plentiful Crop, Wheat is and will be cheap, and large Stocks left even after the greatest Exportation. What then would be the Consequence, if there was no Bounty to encourage the Exportation, and especially as our Plenty often happens when there is no great Demand for it abroad? I say then, that by the Exportation of Corn there is no permanent Advance of the Price, but on the contrary, that there are often accidental Changes, when it is thereby lower; and to make it appear that the Price of Bread is not, on an Average, at any unreasonable Price for the Labourer, Wheat has not for the last seven Years together met at more than 26s. 6d. per Qr. Exchequer Measure, and that in a Place of considerable Exportation; nor do I conceive that a small Advance of Bread would be perceptible in the Sale of any Piece of Goods manufactured and sent abroad. Moreover, if great Cheapness of Corn be most advantageous to the Kingdom, why is it that the Legislature does not freely suffer it to be imported, when it may; but that such Liberty would be destructive to the Landed Interest of the Kingdom?

I beg Leave to remark, by the Way, what opposite and contradicting Arguments have been offered against the Bounty on Corn: A While ago there came out a Pamphlet, intitled, *National Thoughts recommended to the serious Attention of the Public, with an Appendix, shewing the Damages arising from a Bounty on Corn*, and to give it the more Force, 'tis said to be wrote by a Land-Owner. This Author makes it appear from Bishop Fleetwood's Account of the Market-Price of Wheat at *Windfor*, that it has gradually declined ever since the Bounty has been allowed, and in this manner he makes out a large Account of the Farmer's Loss, and of the Prejudice of it to his Interest; perhaps not considering that the annual Product of the Land has been much more considerable. Thus the Authors of this Pamphlet and of the aforementioned Letter both argue against the Bounty, from self-contradicting Principles, and this Pamphlet serves to strengthen what I have said in favour of the Bounty, that at the same Time it has improved our Lands by the Exportation of Corn, it has also made Corn the cheaper at home.

Some have proposed to lessen the Bounty on Wheat and augment it on Flour, but I do not conceive this would be of Service, though the more can be manufactured at home would be certainly best; but some Countries abroad impose a larger Duty on Flour than on Wheat, and *Holland* even prohibits it; in others Flour is not so saleable a Commodity; in *Spain* they will scarce touch it, if they can have Wheat; besides, Flour is a Merchandize more subject to spoil in hot Countries, and therefore such an Alteration would neither be prudent to make.

I have been large to set these Matters in a clear Light, and I hope it appears that the Bounty on Corn is of real and important Service to the Kingdom. Give me Leave now to consider the Hardships which the Exporters of Corn from the Out-Ports labour under, and which was the Subject of the various Petitions presented in the last Sessions to Parliament, viz. The long Delay of the Payment of the said Bounty, which by Act of Parliament is ordered to be discharged in three Months at the Custom-House in *London*, for want of Monies arising from the Branches thereto appropriated sufficient to pay the same directly at the Port of Exportation; instead of which there are now still unpaid Corn Debentures of above nineteen Months old. Though the Funds may not come in regularly to discharge them when due, they have not generally exceeded more than a Month or two, even in Times of as large Exportation. What then can be the Reason of such extraordinary Difference now? And how is it that even after several large Importations and Duties received, it has been observed that few or no Debentures have been paid off? If these Monies are differently applied, that cannot be right; and if these Funds are not sufficient, other Means may be found out, and Care ought to be taken to ease the Sufferers. And it is the greater Hardship on the Traders of the Out-Ports, that the Port of *London* is exempt from this Difficulty, receiving the Bounty for all the Corn exported within a few Weeks after loaden. Some Regulation in this respect is necessary, and but just and equitable, that all the Parts of the Kingdom may be more on a footing, being doubtless intended that the Bounty should be as much for the Benefit of one Place as another. As every Purchaser of Corn buys the same at an advanced Price, proportioned to the Benefit of the Bounty, which he becomes entitled to on Exportation; so such Purchaser alone suffers the Inconvenience and Hardship of being kept out of the Money this undue and unreasonable Time. And though with respect to its first Grant it is called a Bounty, yet no Insinuation that it is merely such, and the Payment may therefore be postponed, can with Colour of Reason be admitted; for as it is established by the Faith of Parliament, Expectations raised, and Business carried on thereupon, so it becomes a just Debt, and ought as such to be regarded; wherefore such a Delay of the Payment is an Infringement upon the Right and Liberty of the Subject.

Various Petitions, at the first Appearance of this Evil, have been presented to the Right Honourable the Lords of the Treasury, and, since, others to the Parliament, humbly begging for Relief in the Premises, of which some Hopes were given in answer to the latter, but instead of finding any, the Matter has been suffered to grow much worse, as though it was only of small Importance. If no Regard is due to the Trade, yet some Compassion ought to be had for the Sufferers, to refund them the Monies which for so long time they have been kept out of, which are such large Sums, and the Payment of those Debentures being so precarious and uncertain, are no more negotiable; that the Exporters of Corn from the Out-Ports suffer such great and apparent Loss and Distress in their Trade, as can no longer be supported.

I am, Sir, Yours, &c.

L E T.

L E T T E R III.

For taking off the BOUNTY, &c.

S I R,

THE Answerer wholly mistakes the Meaning of my first Paragraph. It was neither designed to insinuate any Doubts concerning the Legality of the Demand which the Merchants now make; nor to reflect on the Wisdom of Parliament: I chose to wave the Question of Law, and only expressed my Confidence, that if the Law, as it now stands, is on the Side of the Petitioners, the Parliament will provide for the due Execution of it, and thereby give them Relief. But this not being to my Purpose, I touched it slightly, and proceeded to shew, that the Institution itself is greatly prejudicial to the Wealth and Trade of this Nation.

The Reasoning contained in my next Paragraph is to this Purpose: The Bounty lessens the Price for which our Corn sells Abroad; but to lessen this Price is the same Thing as to give back Part of it to Foreigners: The Bounty therefore is a Loss to the Nation. The first of these Propositions is not denied; the Bounty, we both agree, makes our Corn cheap abroad: But this, the Gentleman thinks, is not to give Money to Foreigners, but to our own People. He does not perceive, that if A gives B five Shillings to sell a Quarter of Corn to C, at five Shillings less than the Market Price, C has all the Advantange of the Gift, and not A or B: But what is the Meaning of giving to our own People? Is it not the same Thing as giving to ourselves? A Kind of Traffick, by which a Nation can no more grow rich than an Individual.

But the Corn Trade, it is said, brings in Riches to the Nation, and is supported merely by the Bounty. Without examining the Circumstances of this Trade, it is easy to prove, that if it is supported merely by the Bounty, it cannot add to the Riches of the Nation: And that if it really adds to the Riches of the Nation, it would be carried on without a Bounty; for in this, as in every other Trade, while it is left to its natural Course, the Interests of the Nation and of the Trader are connected.

But in every Trade, encouraged by Bounties, or modelled and restrained by Laws, they are separated. This may be illustrated by the following familiar Instance: Let us imagine that five Trades make a Joint-Stock, and carry on a Trade, by which they gain Five *per Cent.* that is, One *per Cent.* to each of the Partners on all the Goods they sell: In order to increase their Trade, they agree, that each of them shall manage a separate Branch, and shall take to his own private Use Two *per Cent.* on all he sells: They have now particular Interests, which overbalance to each of them his Share in the common Interest; and every Manager will have as great an Advantage from his Branch of Trade, though the common Stock loses by it Five *per Cent.* as he had before when it gained as much. Thus they must all in Time be ruined; and he only will suffer least who contributes most to the common Loss. The Case is exactly the same, whether the Number of Partners be five or five Millions; and the Nation may be considered as a Number of Partners, who, when they give Bounties, are hiring

each other to ruin the Public.

Thus I argue on a Supposition, that the Trade in Corn would be destroyed by taking away the Bounty: But this appears to me a groundless Imagination. The Answerer indeed asserts, that the *French* have this Year purchased very large Quantities elsewhere at cheaper Rates than from *England*. To which I will only oppose his own Words: That it is an undoubted, an universal Maxim, and an experienced Truth, in all Branches of Trade, that they who can furnish cheapest a Commodity of equal Goodness, will have the Trade. The Gentleman therefore must have been deceived: If the *French* bought Corn of us, they could not buy it cheaper elsewhere; nor could they do so, if the Bounty was withdrawn: For in this Case we should find, that the Price abroad would exceed the Price in *England* so much, that the Difference would answer the Freight, and the Exporter's Profit: And such a Difference between the Prices of our Provisions at Home and Abroad would be a great Encouragement to Industry amongst us; for thus we should gain an Advantage in every Kind of Manufacture, and not an inconsiderable one, as this Gentlemen chooses to represent it. The mean Price of Wheat being supposed as he sets it at 1*l.* 6*s.* 6*d.* per Quarter, the Bounty is almost 19 *per Cent.*: So much then will be the Advantages in our Expences which we shall get by taking off the Bounty. And if a Reduction be made of some of our Taxes on the Necessaries of Life, equal to the Demands of this Bounty, which have been annually made on the Government, on a Medium, such a Change would make a still greater Abatement in the Price of Provisions.

Of this the Answerer will be able to judge, if he considers how much a small Tax on one Necessary of Life advances the Price of all other Necessaries, either for Food or Cloathing. Almost the whole Consumption of our labouring People are Things of our own Growth, or our own Manufactures; and in whatever Proportion the Expences of a Labourer are diminished, in the same Proportion will his Wages be diminished, if the Restraints upon Industry are at the same Time taken off. These are certainly the principal, if not the sole Cause of Idleness and Debauchery among the common People; for must not Restraints on Industry destroy the industrious Dispositions of the People, as much as Restraints on Vice discourage the vicious one?

But it may be asked, If the Manufacturer gains, will not the Land-Owner lose? Will not the Value of the Produce of his Land, and consequently of the Land itself be greatly decreased? I answer directly, No; on the contrary, it will be greatly increased: For it is the Land-Owners true Interest to make Trade flourish; his Rents can only be advanced by a general Increase of the Number of its Inhabitants, and of the Riches of the Nation: If the Answerer had attended to this, he would not have misunderstood a very clear Writer; whose Thoughts on this Subject I have the Satisfaction to find agreeing with mine; and who, nevertheless, proves, that the Price of Wheat, since the Bounty was granted, has gradually decreased. This has been wholly owing to the Increase of our Trade; and if the Bounty on Corn, and other fatal Mistakes in our Laws, had not retarded its Progress,

We might have found at this Time the Price of Corn lower, and the Value of Lands higher, than can be easily imagined.

That the Improvements in the Value of Lands have arisen, not from the Bounty, but from the Improvements in Trade, I undertook to shew in my former Letter from the Nature of Farming. As the Answerer seems to disregard this Argument, I will add some Observations to confirm it. Every Farmer knows, that the Lands, for which he pays with Difficulty, or rather is unable to pay four Shillings an Acre, when it lies in open Fields, is well worth ten or twelve when it is inclosed. But what is the Reason of this Change in its Value? It is plainly this; that when he ploughs an open Field he can only grow Corn, but an Inclosure can be turned to various Uses. By sowing Turnips, and Grass at proper Intervals, he employs the same Lands for his Dairy, and for making fat Cattle, on which, at other Times, he has plentiful Crops of Corn. Old Pastures, which used to serve for Grazing only, are found to answer this Purpose better, when broken up and thrown into this Method of Husbandry. Heaths also, formerly accounted barren and useless, are, by the same Method, changed into fruitful Inclosures of Grass and Corn. Thus the Inducements the Farmers have had to keep larger Stocks of Cattle have put them in a Way of growing more Corn, and have enabled them to sell it cheaper. But these Inducements are entirely owing to the Increase of our People, and that to the Increase of our Trade. If then the Bounty is prejudicial to the general State of Trade, how can it support the Corn Trade? How can it be advantageous either to the Farmer or Land-Owner? How can it increase our Shipping, or add to our naval Strength? A Trade carried on in a Manner so destructive to all other Trades, can only tend to impoverish the Nation, to check the Progress of our Manufactures, to stop the Improvements of our Lands, and destroy, by Degrees, the Employment of our Shipping.

The Gentleman to whom I am replying, seems much concerned for our Navigation, or rather for the Credit of our Act of Navigation. He says, that our Corn, if the Bounty be withdrawn, may be loaded on foreign Ships as well as our own; and that a Preference will be given to them, because they will generally carry it much cheaper than ours. And if there was not too general a Prejudice against me in this Point, I would answer, so much the better for us. For we cannot have a free and open Trade unless our Navigation be free and open. What if the Merchants at one of our Ports should resolve to employ no Vessels but such as they build at their own Port, and manned with a fixed Proportion of People of their own Town, would not this enable the Merchants at other Ports, which should be free to all the Ships and Sailors of the Nation, to undersell them and ruin their Trade? And where is the Difference with regard to this Case, between our own Ports compared with one another, and those of other Nations with our own? Let the Gentleman shew how a Monopoly to our own People at Sea can be of Service to our Navigation and foreign Trade, any more than the Monopolies which subsist at Land can benefit or promote our Manufactures. The Element on which a pernicious Practice is carried on can never alter the Nature of it.

But this, and several other Mistakes in the Letter before me, do not immediately concern the main Question: I shall therefore take no Notice of them. And this may be a proper Return to the Civility the Gentleman shews me in making no Remarks on some Observations of mine, which, though designed to promote the real Interest of Trade, might possibly have raised the Indignation of a Citizen.

I am, Sir, Yours, &c.

LETTER IV.

For taking off the BOUNTY, &c.

S I R,

IF the Question, relating to the Bounty on exported Corn and Malt, is of so much Importance to this Nation, as it appears to me to be; I shall be justified in offering again to the Public some Thoughts concerning it. The Demands on the Government for this Bounty, for some Years past, have amounted to more than 250,000*l.* a Year; a Sum which ought not to be neglected, or wantonly expended, by a Nation, whose Debts exceed Seventy Millions. Some, perhaps, may be inclined to suspect, that the Bounty could not have arisen to so great a Sum without considerable Frauds; and to think, that such Frauds may too easily be committed at any Port, where the Officers are either dishonest, or careless. But it is not to my Purpose to examine these Suspicions. If they are just, the Public has indeed been robbed: But the Nation is in a better Situation, than if all the Money had been fairly applied. The less of our Corn has been exported, the less is the Advantage we have given to Foreigners, the less the Hardship our poor Labourers have suffered, the less the Injury done to the Sale of our Goods abroad, and consequently to our Seamen, Manufacturers, and Farmers at home. That all these Mischiefs arise from the Bounty, has been shewn in my two former Letters.

But, if any one should still think these Assertions doubtful; let him endeavour to determine, when the Bounty ought to take Place. The Growth of Corn in *England* has been for many Years past generally more plentiful, than in any other Part of *Europe*. Will he say, that the Bounty should be paid to the Merchant, when the Price of Corn is a sufficient Encouragement to the Exportation of it? Or, supposing that the Case was otherwise, and that Corn was generally less plentiful here than abroad; will he say, that, by hiring the Merchant to carry it away, we should raise the Price at home still higher, and thereby render all our Labour, both at Sea and Land, dearer than amongst our Neighbours? Ought the Merchant, in these Cases, to have the Reward? Whether he carries away our Corn, when it is too dear, and thus helps to starve our Manufacturers; or when it is so cheap, that he can find a sufficient Gain at foreign Markets; must he still be paid by the Public? That is, must he be paid either for doing nothing, or for doing that which is pernicious to the Nation?

It is undoubtedly true, that a Nation always increases in Wealth in proportion as the Value of the Commodities it exports exceeds the Value of those it imports: And from hence many are too apt to conclude, that all Encouragements to Exportations are beneficial. But they forget, that the Value of the Exports must be estimated by the Returns made for them; and that such Arts, as increase the Quantity of our Exports, may so much diminish their Price abroad, that upon the whole the Nation shall lose by them. They forget also, that such Arts, as, by increasing the Exportation of some one Commodity, prevent the Exportation of many others of greater Value, are likewise detrimental to the Nation, and the certain Means of impoverishing it.

Some have imagined, that the Interests of the different Parts of our Island are not closely connected; and that, while the inland Counties depend on Manufactures, the Coasts are chiefly supported by the Sale of Corn abroad. If this Notion be true, the Mischiefs of this Bounty must be felt first, and most severely, in the inland Parts of the Kingdom. But its Effects on the Coasts will soon follow. When our Trade is lost, we shall not be able, as has been shewn, to grow Corn cheaper than our Neighbours; nor so cheap as those, who shall be wise enough to gain it from us. Our Navigation too, in which we place so much Confidence, must soon follow our Trade; and the Number of our Ships must decline, as our Country becomes uninhabited.

Let us suppose, that, instead of a Bounty on exported Corn, one should be given on Corn and all the Necessaries of Life consumed at home. What would be the Consequence? Every thing would become more plentiful, and this Plenty would invite Inhabitants, and make Labour cheaper. These are great Advantages, and might certainly be thus obtained, if such a Bounty could be given. But who must pay it? If it must be raised by a Tax on the People, then it is only taken from them and returned to them again; and not without great Loss in passing through the Hands of the Tax-gatherers and Distributers of the Bounty. But though such a Scheme would greatly hurt the Nation; yet it could not so immediately produce those fatal Consequences, which must arise from our Method of raising Taxes, in order to give all the Advantages before described to our Rivals in Trade.

If a Bounty, bestowed in the Manner here supposed, would be prejudicial to Trade; every other must be so. To give a Bounty on Exports, is the same Thing as to sell our Goods for less than the natural Price. To give a Bounty on Imports, is the same Thing as to buy foreign Goods for more than the natural Price. To give a Bounty on any home Trade, is to hire our People to work to some Disadvantage. For, in a free Course of Trade and Industry, every one will choose that Employment, which brings the greatest Profit to himself, and to the Nation. Every kind of Bounty, whether on Exports or Imports, on home or foreign Trade, has all the Inconveniences of Taxes doubled: For they must first be raised by Taxes, and thus they increase the Prices of those Things on which they are charged: And they oblige our People to sell cheaper, and buy dearer, than they would otherwise do; and thus, in effect, they tax their Industry again. Such Bounties as are applied to foreign Trades, are for a Reason already mentioned, more pernicious than others. But of these none is so plainly destructive to all Trade, as that for the Exportation of Corn and Malt. We may therefore conclude, that, as all Bounties are bad, so this is the worst of the worst Kind.

I am, Sir, Yours, &c.

P O S T S C R I P T.

THOUGH the Nature of Farming is little understood; yet I cannot but be surprized to find, that no Notice has been taken of my Arguments drawn from it by any of the Defenders of the Bounty. I have observed the different Values of inclosed and open Fields; and have shewn, that this Difference at least, if not a greater Part of the Value of our Land arises from Trade; and that the Rents of all Estates, if our Trade was ruined, must fall below four Shillings an Acre, the general Rate of open Fields. From hence the Conclusion is plain and strong, that if the Bounty hurts Trade, none of the supposed Advantages of it to the Farmer and Land-Owner, were they real, could make them Reparation.

I have observed further, that the Price of Land does not depend on the Price of Corn so much as is usually imagined. If the Farmer, by varying his Crops, can increase their Quantity, though he sells every Part of them cheaper, he may pay the same or a greater Rent. How this is done on the light and middle Kind of Land, by sowing Turnips and foreign Grass, has been already explained. Improvements of the same Kind might and would be carried further than they are at present, in other Places, by Hemp, Flax, &c. and foreign Grass. But these the Bounty either prevents or retards.

Land untilld may be considered as Materials for a Manufacture. These commonly, I might say, always, bear the highest Price when the Trade in which they are employed flourishes most. And that must be in the most flourishing State, when the Goods it manufactures are sold at the lowest Rates. Any considerable Improvements in the Arts of working our Wool, would certainly make the Material dearer, and the Cloth cheaper. If the same kind of Reasoning be applied to Land, it will not seem incredible, that, by taking off the Bounty, and giving our Trade a full Scope, the Price of corn should be diminished, and yet both the Profits of the Farmer and the Rents of his Landlord be increased.

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21-10-13

Trade g. B. 5. 12

